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Trade talks between the U.S. and China have yielded a large jump in the future number of flights between the two countries, opening up a lucrative market dominated by United Airlines.

Transportation Secretary Mary Peters announced Wednesday that U.S.-China flights on U.S. air carriers would increase from 10 a day to 23 in five years.

"We have a breakthrough agreement that opens the way for more frequent, affordable and convenient air service between China and the United States," Peters said in written remarks. She estimated the additional flights will create \$5 billion in new business for U.S. airlines.

The agreement on more flights came as part of high-level U.S.-China trade talks that concluded in Washington Wednesday.

The two countries engage in a massive and increasing amount of trade and investment, and many travelers now must make multiple stops or fly on foreign carriers to reach China.

Chicago-based United has the strongest position, offering two daily flights from both Chicago and San Francisco to Shanghai and Beijing, and a fifth flight from Washington, D.C., to Shanghai.

By contrast, American offers a single daily flight from Chicago to Shanghai, and Continental has a single daily flight from Newark, N.J., to Beijing. Northwest offers a connecting flight from Japan to China but no non-stop service.

The accord also includes the right for Chinese carriers to add more flights to the U.S. Those airlines aren't using all of their existing U.S. flying rights.

Flying to China can be expensive. Anyone booking a round-trip flight Wednesday for a five-day trip to Shanghai beginning Monday would pay \$2,311 for an economy seat, \$12,311 for business class and \$17,338 for first class, according to United's online booking service.

Observers predict that because demand is so great, business air fares won't fall despite an inevitable increase in competition. Business travelers are the most lucrative customers for airlines.

"The demand for travel over there is so great, and the supply is so constricted, the price of the good seats will stay high," said Darryl Jenkins, an airline consultant.

The deal comes up short of Washington's goal of fully liberalizing air travel between the two countries. Peters said both sides agreed, however, to begin talks in 2010 on a open-skies accord.

Transportation officials said two new flights, one to be awarded this year and another in 2009, will go to airlines that do not serve China. That means, the likely winner would be either Delta Air Lines, the largest U.S. airline now shut out of China, or U.S. Airways, or both. They, plus the four airlines already serving China, account for the bulk of U.S. air travel abroad.

Delta is trying to persuade the Transportation Department to grant it this year's route.

"Delta flights to Shanghai will link the world's largest [airport] and the 55 million people in the Southeast to China," said Delta spokesman Kent Landers.

US Airways executives could not be reached for comment.

Richard Aboulafia, an aviation analyst with the Teal Group, said that carriers with service to

China will try to win more flights.

"This is a tightly regulated market with booming demand and good profits from premium traffic passengers," he said.

But Aboulafia said United's disproportionate number of flights might handicap the airline in its efforts to gain more access to China.

United spokeswoman Jean Medina said some people using the same reasoning thought the airline would have difficulty when it applied to fly from Washington to Beijing. United began flying that route in March.

"As we learned when we applied for Washington-Beijing service, the best route proposal that benefits the most customers wins the day," Medina said.

American Airlines wants a bigger share of the China market as well.

"American is looking forward to its turn to participate," said American spokeswoman Mary Frances Fagan.

Northwest wants to add direct flights to China and said it believes the trade accord will make that possible.

"The new agreement opens the door for important new routes, including Detroit-Shanghai, Detroit-Beijing and Minneapolis/St. Paul-Shanghai," the airline said in a statement.

The trade agreement also benefits the air-cargo industry

It will lift all Chinese government limits on cargo flights and cargo carriers serving the two countries by 2011, the Trade Department said.

While not as visible as the passenger business, airborne cargo plays a vital role in international commerce and is the source of thousands of jobs.

"This is a large expansion of air-cargo business," Rep. Mark Kirk (R-Ill.), co-chair of a House group that focuses on U.S. and China trade issues, said about the agreement. "O'Hare is a substantial base, and this may open up additional business."